

State of Utah Department of Commerce

Division of Securities

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NEWS RELEASE

September 6, 2006

<u>Default Order Entered Against Self-Proclaimed International Financier</u> <u>Promoter took \$200,000 from investor, claiming to be international banker...</u>

SALT LAKE CITY, Utah – The Utah Division of Securities entered an Order today against Jeffrey Lane Mowen, of Lindon, for an investment scheme involving claims of foreign currency trading, investments in international financial markets, and the sale of stock. The Order was entered by default after Mowen failed to file a response to the Order to Show Cause issued by the Division on June 29, 2006.

According to the default Order, Mowen took \$200,000 from an investor he met through a multilevel marketing program. In April 2005, Mowen's wife, Elizabeth Ward (aka Mowen), told an investor that she was moving from USANA to a new network marketing company, Isagenix. The investor and her husband became part of Elizabeth Mowen's downline in the new venture.

When the investor told Elizabeth Mowen that she wanted to earn more money from her investments, Elizabeth told her and her husband that Jeffrey Mowen was "brilliant with money." Jeffrey Mowen told the investor he was an international banker working the foreign currency markets each day. He claimed to be extremely successful and asserted that Isagenix had asked him to handle the company's money, but he had refused. He said he was writing a book on finance, owned a large development company, had earned his first million dollars by age 19, and that the best-selling real estate investment book "*No Money Down*" was written using his methods. Mowen offered to help the investor increase their investment returns. The investor sent \$200,000 to Mowen in July 2005.

The investor lost all her money. The Order states that Mowen failed to disclose to the investor that he had prior criminal convictions for securities fraud in 2003 and again in 2004 as well as a separate charge of theft in 2004. He also failed to disclose \$78,000 in civil judgments outstanding against him. Almost all the money from the investor was used to pay Mowen's personal expenses including \$15,891 in credit card bills, \$4,290 in automobile expenses, \$29,289 in cash withdrawals, \$12,270 for food and entertainment, \$4,600 for travel and home expenses, and \$100,000 to repay money taken from an earlier investor. \$10,000 was sent to a currency broker.

At a scheduling conference on August 4, 2006, Mowen was given additional time to file a response, but failed to do so. This Order concludes the Order to Show Cause case against Jeffrey Mowen. The default Order imposes a fine of \$250,000 against Jeffrey Mowen. The case still is pending against Elizabeth Ward for the same conduct.